

R865. Tax Commission, Auditing.

R865-9I. Income Tax.

R865-9I-21. Return By Partnership Pursuant to Utah Code Ann. Sections 59-10-507 and 59-10-514.

(1) Every partnership having a nonresident partner and income derived from sources in this state shall file a return in accordance with forms and instructions provided by the Tax Commission.

(2) If the partnership has income derived from or connected with sources both inside and outside Utah and if any partner was not a resident of Utah, the portion derived from or connected with sources in this state must be determined and shown on the Utah forms TC-65 Schedule K and Schedule K-1.

~~[(a) The Utah portion must be determined and shown for each item of the partnership's, and each nonresident partner's, distributive shares of income, credits, deductions, etc., shown on Schedules K and K-1 of the federal return.~~

~~(b) The Utah portion may be shown:~~

~~(i) alongside the total for each item on the federal schedules K and K-1; or~~

~~(ii) on an attachment to the Utah return.]~~

(3) A partnership~~[, all of whose partners are resident individuals, shall]~~ may satisfy the requirement to file a return with the commission by[:

~~(a)] maintaining records that show each partner's share of income, losses, credits, and other distributive items[;], and~~

~~[(b)] making those records available for audit if:~~

~~(a) all of the partnership's partners are resident individuals; and~~

~~(b) the partnership is not a pass-through entity taxpayer.~~

KEY: historic preservation, income tax, tax returns, enterprise zones
